IMPROVE CENSUS BUREAU'S ABILITY TO ATTRACT A QUALIFIED WORK FORCE FOR 1990 CENSUS

HEARING

BEFORE THE

SUBCOMMITTEE ON
CENSUS AND POPULATION

OF THE

COMMITTEE ON
POST OFFICE AND CIVIL SERVICE
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

H.R. 1860

A BILL TO PROVIDE THAT A FEDERAL ANNUITANT OR FORMER MEMBER OF A UNIFORMED SERVICE WHO RETURNS TO GOVERNMENT SERVICE, UNDER A TEMPORARY APPOINTMENT, TO ASSIST IN CARRYING OUT THE 1990 DECENNIAL CENSUS OF POPULATION SHALL BE EXEMPT FROM CERTAIN PROVISIONS OF TITLE 5, UNITED STATES CODE, RELATING TO OFFSETS FROM PAY AND OTHER BENEFITS

MAY 23, 1989

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IMPROVE THE CENSUS BUREAU'S ABILITY TO ATTRACT A QUALIFIED WORK FORCE FOR THE 1990 CENSUS

TUESDAY, MAY 23, 1989

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CENSUS AND POPULATION,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, DC.

The subcommittee met, pursuant to call, at 11:10 a.m., in room 304, Cannon House Office Building, Hon. Thomas C. Sawyer (chairman of the subcommittee) presiding.

Mr. SAWYER. We are going to go ahead and get started. Congressman Ridge is on his way and his opening statement will be included after my remarks.

On behalf of the Subcommittee on Census and Population, I would like to welcome our witnesses and guests to this morning's hearing.

Today, we are here to review legislation that I introduced because I believe it will improve the quality of the Census Bureau, the ability of the Census Bureau to attract and retain a qualified work force for the 1990 census. I am pleased to acknowledge the support and efforts of Tom Ridge, who will be with us in a moment, the ranking minority member of the subcommittee, and Rod Chandler, who were also original cosponsors of H.R. 1860.

In less than a year, we will conduct the twenty-first decennial census. This enormous and complex undertaking will require a temporary work force of some 480,000 employees with over 300,000 actually working during peak operations. As with previous censuses, one of the greatest challenges for the Census Bureau will be the recruitment and retention of qualified temporary employees who can get the job done in a timely and skillful manner.

A large percentage of the temporary work force hired for the census will serve as enumerators, visiting homes and apartments and other kinds of housing units from which a census questionnaire has not been returned by mail. The follow-up work is critical in the light of the 25 percent of the 106 million households nationwide which will not mail back their census forms. That is some 26 million households, and it is a substantial undertaking.

An enumerator's job is rigorous and demanding. It offers relatively low pay and short duration of employment. It is no picnic, and so it is no surprise that the Bureau has repeatedly experienced difficulty in attracting and hiring an adequate number of qualified employees to conduct the census. The Bureau encountered this

problem both during the 1980 census and again during the March 1988 St. Louis dress rehearsal for the 1990 census.

The quality, accuracy, and completeness of census data will depend, to a substantial degree, on the ability of the Census Bureau to retain a qualified work force to carry out field activities after the census forms have been mailed.

I believe it is possible to expand and retain a larger pool of able census workers by making temporary census positions more attractive to retired Federal and postal employees and retired military officers. There are about 1.6 million Federal annuitants and 457,000 retired military officers nationwide who represent a potentially valuable resource to the Census Bureau in overcoming those kinds of staffing problems. Many of these retirees are likely to have the adequate time, to have access to an automobile, to know their neighbors and their communities well, and to understand the importance of the census.

However, provisions of the Code which refer to offsets and benefits for re-employed annuitants provide a genuine disincentive to seek re-employment with the Federal Government. H.R. 1860, on which we are going to hear testimony today, provides an exception from these offset provisions for retired Federal and military personnel who become employed in temporary positions for the purpose of carrying out the 1990 decennial census.

The General Accounting Office, which is represented here by Gene Dodaro, has endorsed legislative efforts to expand the pool of labor for the census by making temporary positions more attractive for Federal and military retirees.

The proposed legislation should have no impact on the Federal budget. We are not seeking by this measure to hire an increased number of employees or to pay them more. Rather, we are seeking to assemble a larger and more qualified pool of applicants from which to hire the number of temporary workers that are needed to complete a quality census, a first-rate count, of the entire Nation.

Once again, I would like to thank everybody in attendance. We will hear testimony today from Mr. Charles D. Jones, Associate Director for the Decennial Census of the Census Bureau; Mr. Gene Dodaro, Associate Director of the General Government Division of the GAO; Ms. Judy Park, legislative director of the National Association of Retired Federal Employees; and Commander John Wanamaker, deputy director of legislative affairs of the Retired Officers Association.

In addition, we have a letter from the Postal Management Organizations commenting on this legislation on behalf the National League of Postmasters, the National Association of Postal Supervisors, and the National Association of Postmasters of the United States, which will be included in the record, and there may be others of that kind to be included later.

[The letter follows. Also included is the statement of Congressman Ridge.]

POSTAL MANAGEMENT ORGANIZATIONS

Serving the Supervisors and Postmasters who serve America's Postal Customers

May 5, 1989

The Honorable William D. Ford
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Ford:

The postal management associations would like to ask your support for HR 1860, introduced by Congressmen Tom Sawyer (D-OH), Tom Ridge (R-PA) and Rod Chandler (R-WA). This bill would allow postal, federal and military retirees to assist in carrying out the 1990 decennial census without offset to their annuity.

As you have probably read in recent news accounts, the Census Bureau is anticipating serious problems in finding enough qualified workers to conduct the census. The community of federal retirees would provide a large pool of workers ready and willing to perform this important task. However, current law prohibits federal retirees from receiving an annuity while employed by the federal government, and limits the amount of money they can earn over and above their annuity without a reduction in their annuity. HR 1860 would provide federal retirees with a six-month exemption to these regulations.

We, the undersigned, hope that you will extend your support for this measure by cosponsoring HR 1860.

Sincerely,

Ron Swisher
President
National League of
Postmasters

Rubin Handelman
President
National Association
of Postal Supervisors

Earl Ogle
President
National Association
of Postmasters of the
United States

OPENING STATEMENT
REPRESENTATIVE TOM RIDGE

Good Morning:

I would like to extend my appreciation to the witnesses joining us this morning and commend the Chairman for his leadership on this issue.

Once, every 10 years, Americans are reminded of an obscure, yet vital provision in the United States Constitution. The Census was first established in the Constitution as a tool for reapportioning Congressional Districts. Today, the census is an invaluable resource for federal funding, as well as urban and rural development. The computations made by enumerators must be clear and accurate. In order to meet this goal, the Census Bureau must recruit over 480,000 employees.

With "Help Wanted" signs in just about every window, the Census Bureau faces a tremendous challenge in recruiting a temporary workforce of such great proportions. Already, the Census Bureau has encountered difficulty in recruiting enumerators for the dress rehearsal held in March of 1988.

One source available, yet untapped, is the pool of federal retirees. These retirees, who served in and are familiar with the neighborhoods to be enumerated, are discouraged from seeking employment. Only one major roadblock stands between federal retirees and the Census Bureau: Federal Annuities.

Federal retirees arre, in essence, penalized if they return to work with the federal government. Even when federal retirees have unique qualifications which would be invaluable to the employing agency, federal retirees are prevented from returning to work. Under 5 U.S.C. 5532, if the reemployment is subject to the retirement system, the annuity is **discontinued** from the date of reemployment. If reemployment is not subject to the retirement system, the annuity payments continue, but the salary for reemployment is **reduced** by the amount of the annuity. Federal retirees are faced with a much heavier burden than that faced even by Social Security recipients.

The law, as written, provides no incentive for Federal Retirees to provide their unique expertise to the Census Bureau. H.R. 1860, introduce by my colleague from Ohio, and cosponsored by my colleague from Washington (Mr. Chandler) and myself, would remove the disincentive in current law. Today, we will hear testimony on this issue from those representing the federal government and federal retirees. Again, thank you for your participation in this hearing.

Mr. SAWYER. Our first witness today will be Mr. Jones.

STATEMENT OF CHARLES D. JONES, ASSOCIATE DIRECTOR FOR THE DECENNIAL CENSUS, BUREAU OF THE CENSUS, U.S. DEPARTMENT OF COMMERCE

Mr. JONES. Thank you, Mr. Chairman, for the opportunity to give our views on H.R. 1860. We strongly support this legislation. It would widen the pool of potential applicants by removing disincentives that now exist for taking temporary census jobs on the part of Federal annuitants and military officer retirees.

By widening the pool of potential applicants, this legislation would improve our ability to hire sufficient numbers of qualified temporary workers for the national census. Somewhere on the order of two million persons could be affected by this legislation. Not only is that sheer number of people impressive, but we also believe that the qualifications and skills that this pool of persons would bring to the census work would be impressive. By the nature of their previous work, most would, by definition, meet all the qualifications for temporary employment in the census.

We will need to hire about 480,000 persons during the period October 1989 through September 1990, with about 315,000 actually working at the peak of operations in April/June of 1990. This includes people working out of some 500 offices, nationwide. Hiring this army of workers for this short period of time will be a challenge, as it has been in recent censuses.

We have planned improvements in our recruiting strategy, enumerator training and supervision, and enumerator pay, and we believe these will improve our chances of hiring sufficient numbers of persons for the 1990 census. However, we also believe that, even with these improvements, filling the jobs with qualified people will be a tremendous challenge. In some areas we will be short; in other areas we may have to hire those who are minimally qualified because the pool of applicants will not be large enough to give us the luxury of a choice. That is why we strongly endorse this legislation, Mr. Chairman. We can't know today how many of these two million people will actually end up taking census jobs. But in putting together such a large work force, every bit helps.

This is not a panacea to all the hiring problems, and I think we all recognize that; but it can make our job a lot easier. If only 5 percent of these retirees took census jobs, they would make up 30 percent of our peak work force in April/May of 1990.

In our view, with this legislation, everybody wins and nobody loses. The taxpayer would win because, to the extent this legislation increases the number of qualified census workers, we will reduce turnover costs and thus make the census more cost efficient. States and localities will benefit because having better census workers means that we will have a better census. And these retirees who have already served their country admirably will benefit by being given another opportunity for public service. They will not add to the cost of the census because they will take jobs that already exist, jobs that we expect to have difficulty in filling.

Mr. Chairman, that concludes my statement, and I will be glad to answer any questions.

[The statement of Mr. Jones follows:]

CHARLES D. JONES
ASSOCIATE DIRECTOR FOR DECENNIAL CENSUS
BUREAU OF THE CENSUS

Thank you, Mr. Chairman, for this opportunity to give our views on H.R. 1860, the bill that you, Mr. Ridge, and Mr. Chandler have introduced. This bill provides that a Federal annuitant or former member of a uniformed service who returns to Government service under a temporary appointment to assist in carrying out the 1990 census shall be entitled to receive the full civilian or military pension and unreduced pay for the job for a period of 180 days without any of the offsets from pay and annuities required by the dual-compensation restrictions of title 5, United States Code.

We strongly support this legislation. It would widen the pool of potential applicants for census jobs by removing disincentives that now exist to taking temporary census jobs on the part of Federal annuitants and certain military retirees. By widening the pool of potential job applicants, this legislation would improve our ability to hire sufficient numbers of qualified temporary workers.

About 2 million persons in all would be affected by this legislation. Not only are the sheer numbers impressive, we also believe the qualifications and skills this pool of persons would bring to census work would also be impressive. By the nature of their previous work, most would, by definition, meet all the qualifications for temporary employment in the census.

We will need to hire about 480,000 persons during the period October 1989 to September 1990, with about 315,000 actually working at the peak of operations (April-June, 1990). This includes staff in our regional census centers, district offices, and processing centers. Hiring this army of workers will be a challenge, as it has been in recent censuses.

We expect to have problems recruiting enumerators who must knock on doors to complete questionnaires for persons who did not mail back their questionnaire to us. Filling these jobs is complicated by the fact that we have as our goal to hire for each enumeration area a person who lives in that area. It will especially be a challenge for us in this period when the national unemployment rate is about 5 percent and selected areas have rates as low as 1 or 2 percent.

Over the last 4 years, we have been addressing this vital issue of how to recruit, pay, train, and manage our workers. We tried innovations in our tests and plan to implement them in 1990. We are confident these improvements will help us recruit and retain good workers, as well as make the census better.

We are working more closely with both national and community organizations to get their help in recruiting job applicants. We plan to use mass mailings of job notices in areas where recruitment is lagging. We are expanding the universe of qualified candidates by providing more flexible employment opportunities, such as part-time employment.

Enumerator training will be more interesting and relevant to the job. It will include learn-by-doing exercises and more training on map reading, which has been a problem in the past. For the major operations, we plan to give supplemental pay to enumerators who are productive, do good work, and complete their assignments on schedule. We also plan to tighten supervision and require that the crew leaders review the enumerators' work daily.

We are also considering a plan to set differential pay rates for district offices. Toward the end of prelist, we found we had to increase the pay rate in selected areas where we were having difficulty hiring. At the time we instituted the pay increase, we developed a test to evaluate the effectiveness of the pay increase relative to the original pay rates. We analyzed its effect on productivity and have developed a scheme for setting several different rates for district offices based on a range of labor market factors including unemployment rates, demographic and economic variables, and so on. We think we have a sound plan for setting differential pay rates.

We believe the advancements we have made in recruitment strategy, enumerator training and supervision, and enumerator pay have improved our chances of hiring sufficient numbers of qualified workers for the 1990 census. However, we also know that even with these improvements, filling the jobs with truly qualified people will be a tremendous challenge. In some areas, we will still be short; in other areas, we may have to hire those who are minimally qualified because the pool of applicants will not be large enough to give us the luxury of a choice.

That is why we strongly endorse this legislation, Mr. Chairman. We cannot know how many of the 2 million persons will actually end up taking census jobs. We do know that in selected areas, the percentage of persons who are 55 or older who worked on the prelist was as much as one-fourth to one-third. We also believe that these persons will be motivated by a special set of values--call it "patriotism" or "public service"--that might cause them to take a census job as a special challenge.

In putting together such a large workforce every little bit helps. This legislation is not a panacea to all our hiring problems, but it could make our job a lot easier. Even if only one (1) percent of these persons eventually end up working at the peak of operations in the 1990 census, they would account for about 6 percent of our workforce. That could made the difference in some areas between having enough workers or not having enough. If five (5) percent took census jobs, they would make up almost 30 percent of our workforce at peak.

With this legislation, everyone wins and nobody loses. The Federal Government and the taxpayer win because to the extent this legislation increases the number of qualified census workers, we will reduce turnover costs and, thus, make the census more cost-efficient. States and localities will benefit because having better census workers means a better census. And these retirees, who have already served their country so admirably, will benefit by being given another opportunity to serve their country. They will not add to the cost of the census because they will be taking jobs that already exist--jobs we expect to have difficulty in filling.

Mr. Chairman, that concludes my testimony.

Mr. SAWYER. Thank you very much, Mr. Jones.

We have heard initial base line testimony about the experience in the dress rehearsal, and of course there is experience from 1980. In the event that this legislation is enacted, it still remains likely that of those two million additions to the potential pool of likely applicants, many simply will not be aware of the opportunity that this represents. Could you share with us the kind of recruitment strategies that you would be using in the event of this enactment?

Mr. JONES. Yes. If this bill is enacted, we would do is work with organizations that represent the retirees—I think two of them are here today—to consult with them on how we can best get the word out to the retiree community that they service. That would include things like using their house publications as well as possibly checking with the Treasury Department to see about putting fliers in checks and things of that nature. We haven't scoped this out now, but those are the kinds of things that we would do to try to make sure that the retirees learn about this exemption.

Mr. SAWYER. Could you describe for us the range of occupations that would be included under this exemption?

Mr. JONES. This could be any of the temporary jobs that we have out in the field except perhaps for the very top management jobs. This would be the persons who go out to knock on the doors during follow-up; it may be people who do data entry work in keying information into the computer; it may be the supervisors of those people; it may be their supervisors, and on up the line.

Mr. SAWYER. I am not speaking so much in terms of the jobs to which you would be using them but, rather, the occupational categories from which you would be drawing.

Mr. JONES. We would be interested in technicians and supervisors or generalists. Practically any of the occupation categories that are available among the retirees would be eligible for our jobs.

Mr. SAWYER. I don't want to revisit the material that we covered on March 23, but in our hearing on the plans for 1990 on that date we, of course, heard the kind of testimony with regard to turnover, the 83 percent that was experienced in St. Louis, and conjecture about potential for figures substantially higher than that in some even more demanding arenas. What kinds of efforts do you have in place in order to avoid those kinds of occurrences?

Mr. JONES. We have a number of things that we are trying to do to reduce the turnover and produce better quality work. Some of these are better training. We have structured the training now, so that rather than having just verbatim training, we give about a half a day's training. Then we take the trainees out to do on-the-job, hands-on kind of work so they can get experience and get some feel for the kinds of things they are doing. Then we bring them back to the office and give them additional training.

We have increased supervision. That may sound like an anomaly that increased supervision will reduce turnover, but actually it does help. One of the great frustrations temporary people have is that they can't get answers to their questions. So we are trying to increase the supervision so that they can have access to answers and get the support they need to carry out their job.

Finally, we have instituted a plan of supplemental pay. If people take the work and complete a certain amount of work under cer-

tain quality standards, they are eligible for a supplemental payment. That seems to have some very positive pay-off.

Mr. SAWYER. Do you anticipate geographic pay differentials?

Mr. JONES. We are working on a plan now to try to do that, and we have just about got that finished. We are reviewing that within the administration to set up different pay rates for different parts of the country.

Mr. SAWYER. Are there parts of the country where you think that you might, in fact, given the kind of recruitment that you are doing, have a surplus of qualified applicants?

Mr. JONES. There will be those. The problem of recruiting is not uniform throughout the country, and in some counties we do have excesses but not nearly enough to offset the deficits in other areas.

Mr. SAWYER. Have you any plans for transportation from surplus to deficit areas?

Mr. JONES. We think that the most cost-effective procedure will be to recruit people locally because they live at home and you don't have to pay the per diem and those kinds of things. More importantly, we think that having people who are indigenous to the area is really very important. They are accepted there, they are familiar with the area, they know if there are any language problems and those kinds of things, and we think that those indigenous people can do a better job. We still hold out as a last resort the ability to transfer people around, but we would like to hold that as a last resort.

Mr. SAWYER. Which is, of course, the purpose that brings us here today.

Mr. JONES. Right.

Mr. SAWYER. One final question in that regard. The kinds of choices, the options, that you mentioned in the event that you need to go beyond the pool of recruits that are available here involve additional costs. Is there any contemplation reflecting those in terms of supplemental appropriations?

Mr. JONES. That is a part of the issue that we will be working on in this plan, and as soon as we can get this plan set and agreed to within the administration we will be coming forward and letting the committee know about this.

Mr. SAWYER. We would certainly welcome your thoughts on that at the earliest possible date. Dollars early in a circumstance like this are, of course, far more valuable than dollars late.

Mr. JONES. Certainly. We will be glad to.

Mr. SAWYER. Mr. Ridge.

Mr. RIDGE. Thank you, Mr. Chairman.

I apologize to you, sir, for being late. I do have a few questions, which may or not be directly related to your testimony but certainly related to your position, so let me proceed accordingly.

I do note in your testimony that you allude to some experiments, some innovation, with regard to recruitment, and I think you have discussed pay differences, regional pay scales, as one. Are there any others that you are considering?

Mr. JONES. Currently, we have one additional major activity that we are pursuing. We have asked the Department of Health and Human Services to consider granting an exemption for persons on AFDC and persons receiving Social Security, similar to the bill

here for retirees, so that they would not have disincentives to taking census jobs as well.

Mr. RIDGE. What has been the response?

Mr. JONES. We talked to them earlier in the decade, and they were not positive to that. We will go back and ask them again to reconsider that.

Mr. RIDGE. Do you have any historical experiences that enable you to target particular age groups or groups of retirees as you take a look at the enumerators from, say, 1980, and take a look at the profile of the most stable enumerators or any standard demographic that jumps out at you that sends you in a particular direction to recruit?

Mr. JONES. One of the things is, from 1980 we do not have information on the retirees. We did not keep those records. This time, we do have the forms set up so that if these people apply we will be able to track that and make projections for the year 2000 to help us in this kind of legislation as well as our recruiting strategies.

Mr. RIDGE. So we really don't have a national profile for enumerators from the 1980 census to which you could refer?

Mr. JONES. We have those, but unfortunately those kinds of demographic characteristics don't predict job projections.

Mr. RIDGE. I understand that, and I appreciate that.

Have you given any thought to the legislation that my colleague has introduced and on which Mr. Chandler and I are pleased to be cosponsors with regard to the Federal retirees?

Mr. JONES. Yes, sir. We support that strongly. We think this will help us quite a bit in 1990 in recruiting staff.

Mr. RIDGE. I don't think I have any further questions at this point. Thank you.

Mr. SAWYER. Mr. Jones, one further question. We threw a benchmark up on the wall—I guess that is a mixed metaphor; you don't throw a benchmark on the wall—with regard to the duration of this employment. Is 180 days sufficient to do the kind of processing and training and then execution that you envision for census operations? Is it too much? Do we need more?

Mr. JONES. The 180 days will be a big help. I think that if it were extended somewhat it would be even more helpful. Let me put that in context.

As I mentioned earlier, the peak work load for the 1990 census runs from about October 1989 to September 1990. That is when we are going to need all these people, and they are going to have to be people that largely move from one job to another.

I suspect that with a 180-day limitation some people coming in in October will take jobs and work up to March, when they exhaust their 180 days, and then we will lose those people because then they are earning less money. I suspect that if that were extended so that they could work through September that many of those people might stay on, and that would be of benefit in that we would have experienced people that are dedicated to the job. So an extension of that time would clearly be an additional help.

Mr. SAWYER. Would it be more beneficial simply to extend the allowable time for the exemption, or would you see a provision that would allow that extension to be made administratively, case by case?

Mr. JONES. I believe it would be beneficial to have that in legislation because a part of what we would want to do when we try to attract this group of people is to have some general advertisement that would say we have this exception for this year, and if you take these jobs you would benefit from this.

Mr. SAWYER. A longer period of time might be of greater benefit than an administrative extension.

Mr. JONES. Yes, sir, I believe so.

Mr. SAWYER. Mr. Ridge.

Mr. RIDGE. Just following up, it does make sense as a recruitment tool, particularly with this pool of applicants who might be attracted to other employment, the fact that they knew that the employment could be up to 10 or 11 months; that would be a very helpful recruitment tool.

Mr. JONES. Yes.

Mr. RIDGE. Our ultimate objective is to give you as stable a group of men and women during this most important and sensitive information gathering process, and if you think it is appropriate to extend that, it is certainly something we ought to do.

Mr. JONES. Yes, sir.

Mr. SAWYER. We will take a look at it.

Thank you very much for your time today.

Mr. JONES. Thank you.

Mr. SAWYER. Our next witness is Gene Dodaro, director of government management issues of the General Government Division, GAO.

Welcome.

Do you want to introduce your colleagues for the record?

STATEMENT OF GENE L. DODARO, DIRECTOR, GENERAL MANAGEMENT ISSUES, GENERAL GOVERNMENT DIVISION, GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY JACK KAUFMAN AND CHRISTOPHER MIHM

Mr. DODARO. Good morning, Mr. Chairman. Congressman Ridge. We are pleased to be here today to discuss H.R. 1860.

With me are Jack Kaufman, on my left, and Christopher Mihm, on my right.

With your permission, I would like to submit our prepared statement for the record and briefly summarize our remarks.

Mr. SAWYER. Without objection.

Mr. DODARO. We support passage of H.R. 1860. This legislation could help the Bureau address its staffing problems by potentially enlarging the pool of applicants for census employment. We feel this legislation is particularly important because attracting and retaining a large temporary census work force historically has been a major problem, as we previously reported to this subcommittee in March 1989 and in earlier hearings.

The Bureau needs to pursue a number of avenues to address these imposing staffing difficulties. Clearly, the first task is ensuring that the Bureau's wages are competitive. When we testified before this subcommittee in March, we noted that the Bureau needed to implement a geographic pay structure that is sensitive to local labor market conditions. The Bureau also needs to recruit

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from every possible source. Unfortunately, one source, Federal retirees, cannot be readily attracted because title V requires that their annuities or salaries be reduced if they are re-employed by the Government. H.R. 1860 eliminates this disincentive to seeking census employment.

Federal retirees could provide a large source of applicants. For example, over 1.6 million Federal retirees are below the age of 70. Retired postal workers, who are familiar with neighborhoods and recognized by residents, would be especially valuable. Retirees could be particularly helpful in areas where the Bureau has experienced severe staff shortages. They could have helped meet staff needs in the six areas where the Bureau was forced to increase pay to complete prelist activities.

This chart to your right shows the distribution of the over 209,000 retirees who lived in or near those six areas. If you recall back in March, we talked about those six areas where they needed to raise the pay from $5.50 to $8.00 an hour. This shows that in those areas there was a large pool of Federal retirees who could have been available, and the numbers of retirees in each of these instances were significantly greater than what the Bureau needed to staff its operations.

For example, the Bureau raised pay in parts of Pennsylvania and New York to attract the several hundred employees it needed, but, as the chart shows, there are almost over 20,000 Federal retirees in each of those States who live in or near those counties where the wages had to be raised.

While there certainly are no guarantees that Federal retirees would have sought employment, there are indications that people of retirement age in general are willing to work on the census. Over 23 percent of field employees working on the prelist were age 55 or older.

In addition, the Bureau's regional offices report that a number of Federal retirees have expressed an interest in working on the census. However, once the offset provisions are explained, the retirees decided against attempting to seek a census job.

H.R. 1860 also is consistent with the three previous exemptions to Federal retiree offsets granted to meet important Government hiring needs. These temporary exemptions were extended to Federal retirees who worked with the Immigration and Naturalization Service to help administer the recent Alien Amnesty Program, the air traffic control system to respond to the controller strike in the early 1980's, and for certain retired military officers to help during the 1980 census.

If Congress chooses to grant the exemption for the 1990 census, the Bureau needs to ensure that it takes full advantage of the legislation. For example, because many Federal retirees may not currently be seeking employment, specially targeted recruitment efforts will be needed. The Bureau also needs to monitor the number of exempted retirees it hires to have information should the exemption need to be considered for future decennials.

As Mr. Jones alluded to this morning, the Bureau did not monitor the number of retired officers it hired in 1980. Because it didn't, this impeded earlier efforts of the Bureau to seek approval from the Commerce Department to get legislation enacted of the sort we

are discussing today earlier in the census cycle. So we would hope that as the bill is passed its legislative history would clearly indicate the intent of this committee that the Bureau monitor the exemption once enacted.

In closing, we believe that while H.R. 1860 alone will not solve the Bureau's staffing difficulties, it clearly could make an important contribution to ensuring a high quality and cost-effective census. That concludes my remarks. We would be happy to answer any questions.

[The statement of Mr. Dodaro follows:]

Statement of
Gene L. Dodaro, Director,
General Management Issues
General Government Division

Mr. Chairman and Members of the Subcommittee, I am pleased to be here today to testify in support of H.R. 1860.

In previous testimonies before this Subcommittee, we discussed the need to consider exemptions to annuity and salary offsets for federal retirees because the Bureau's staffing difficulties demonstrate the need to increase the supply of potential applicants for the census.[1] The current requirement that federal retirees' annuities or salaries be reduced is a disincentive for those individuals to accept census employment.

My comments today are based on our reviews of the Bureau's recruitment efforts, previous exemptions to annuity and salary offsets, federal civilian and military retiree statistics, and on discussions with officials from the Bureau and organizations that represent federal retirees.

H.R. 1860 WOULD EXEMPT FEDERAL RETIREES FROM TITLE 5 OFFSETS

H.R. 1860 would exempt federal annuitants and retired members of the uniformed services who work in temporary positions on the 1990 decennial census from the offset provisions of title 5 of the United States Code. Title 5 generally requires that federal civilian annuitants and retired members of the uniformed services

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[1]Status of Plans for the 1990 Decennial Census: An Update (GAO/T-GGD-89-15, Mar. 23, 1989); Status of the 1990 Decennial Census (GAO/T-GGD-88-53, Sept. 27, 1988).

who are reemployed by the federal government receive reduced annuities or salaries.

Some reemployed military retirees receive a reduced annuity, while reemployed civilian retirees receive a reduced salary. Retired enlisted personnel are affected by the offset only to the extent that their combined government pay and annuity exceeds the basic pay rate for Executive Schedule Level V, currently $75,500. Retired officers of the uniformed services who accept federal employment have their annuities reduced based on a formula established in title 5. Civilian retirees who are reemployed by the federal government have their federal salaries reduced by the amount of their annuities.

The bill provides the Secretary of Commerce with the authority to define the temporary decennial census positions that will be exempt from the offsets and requires that an exemption for any individual can not exceed 6 months.

In considering the legislation, we believe Congress should give particular attention to three issues:

-- the extent to which the legislation is needed to expand the pool of available applicants for the decennial census,

-- the extent to which the legislation is consistent with previous exemptions to annuity or salary offsets, and

-- actions the Bureau will need to take to ensure that it takes full advantage of the exemption.

I will comment on each of these issues.

EXPANDING THE LABOR POOL

H.R. 1860 has the potential of enlarging the pool of applicants for census employment, which would help the Bureau address its severe staffing problems. Attracting and retaining a quality census workforce traditionally has been a major problem. For example, in 1980 many of the Bureau's district offices were unable to attract and retain a sufficient number of temporary employees. The Bureau was unable to fill 30 percent of its enumerator positions during peak operations and suffered from high turnover in some offices.

The Bureau faces equally severe challenges in 1990. To help ensure sufficient staff, the Bureau anticipates that it will need to recruit at least 1.6 million applicants for district offices in 1990, or about 45 percent more than the Bureau needed in 1980. This increase is due to several factors, including anticipated job refusal and turnover rates, an estimated increase in the

number of housing units, and an expected mail response rate lower than in 1980.

Early 1990 decennial census activities demonstrate the staffing problems the Bureau could face in 1990. For example, during the 1988 prelist, when the 1990 address list for suburban and rural areas was developed, about 28 percent of prelist areas reported difficulties in meeting staffing and recruitment goals. Turnover rates were about 60 percent, according to a Bureau official, or more than twice what had been expected. As a result of its staffing problems, the Bureau increased enumerator pay rates by 45 percent in six east coast areas to complete the activity.

Given its staffing difficulties, the Bureau needs to recruit adults of all ages. Retirement-age individuals have shown a willingness to work on the census. For example, during the 1988 prelist over 23 percent of the Bureau's field employees were age 55 or above, according to the Bureau's personnel records. Over 30 percent of the field employees in each of three regions--Boston, New York, and Atlanta--were in that age group. These employees are valued by the Bureau because of their experience, stability, and quality of work.

Federal retirees represent a potentially large additional source

of employees for the Bureau. For example, nationally, over 1.6 million federal retirees are below the age of 70.

Federal retirees could be of particular assistance to the Bureau in meeting staff needs in areas where it has experienced severe employee shortages. For example, as I noted earlier, the Bureau raised pay rates in six east coast areas to complete prelist. The numbers of federal retirees residing in those areas were significantly greater than the Bureau's staffing needs. About 209,000 retired federal civilian employees and military officers reside in or near those six areas, as shown on the chart on the next page.[2] While there certainly was no guarantee that federal retirees would have come to work for the census, if even a small percentage had accepted census employment it would have aided the Bureau in overcoming its prelist staffing difficulties.

In addition, because of their skills and commitment, federal retirees could be a valuable asset to the Bureau over and above what is generally expected of temporary census employees. Federal retirees have demonstrated a lifetime commitment to the values of the public service. Retired postal workers who are

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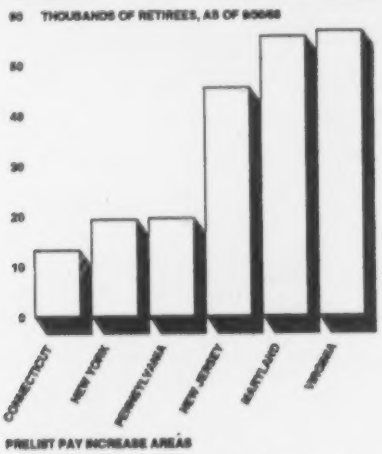
[2]The prelist pay increase areas included all of New Jersey and Connecticut and parts of New York, Pennsylvania, Virginia, and Maryland. The chart includes non-disabled civilian and military officer retirees. Thus, the number of retirees shown for New Jersey and Connecticut represents all those retirees living in the state. For the other four pay increase areas, however, the number of retirees represents only those living in or near the parts of the state that received the pay increase.

familiar with neighborhoods and recognized by the people who live there would be particularly valuable. According to a Bureau official, the Bureau's regional offices report that several hundred federal retirees already have contacted the Bureau and expressed an interest in working on the census. However, once the offset provisions were explained, the retirees apparently decided against seeking employment on the census.

RETIREES LIVING IN OR NEAR PRELIST PAY INCREASE AREAS



Note: Connecticut and New Jersey include all retirees in the state. Other states include only retirees living in or near pay increase areas.

SOURCE: OPM Retirement and Insurance Group and DOD Statistical Report on the Military Retirement System.

H.R. 1860 CONSISTENT WITH
PREVIOUS OFFSET EXEMPTIONS

The proposed legislation is consistent with previous exemptions granted when federal employees were needed to meet important government hiring needs. Offset exemptions have been approved three times in the last 10 years to allow federal retirees to work for the government without reductions in their salaries or annuities.

-- Most recently, in the Immigration Reform and Control Act of 1986, Congress authorized the Immigration and Naturalization Service to employ, under certain restrictions, retired military and civilian employees without reductions to their annuities or salaries for a period not to exceed 18 months. The exemption was provided to assist in the alien amnesty program.

-- In October 1982, Congress amended title 5 to allow federal retirees to work for the air traffic control system or to train others to work on the system, without reductions in their annuities or salaries, subject to certain restrictions. The exemption was provided in response to the controller strike and expired at the end of 1984.

-- The third exemption, and the one most directly related to the 1990 census, was granted for the 1980 decennial census. The Office of Personnel Management authorized an exemption to the annuity offset provisions for military officers who worked on the decennial census. Unfortunately, the Bureau did not monitor the numbers of retired officers hired as a result of the exemption.

The Bureau's 1980 exemptions covered employees in 12 different occupations. The exempted occupations ranged from enumerator to district office manager and represent the vast majority of the Bureau's field positions. The Bureau's 1980 exemptions were extended only to those military officers who retired on or before January 11, 1979, because the Civil Service Reform Act of 1978 does not allow the Office of Personnel Management to grant exemptions for officers who retired after that date.

BUREAU NEEDS TO ENSURE
THE EXEMPTION IS FULLY USED

The Bureau will need to ensure that it takes maximum advantage of the exemptions provided in the legislation. For example, specially targeted recruitment efforts to attract federal retirees will be needed. Field recruitment strategies that focus on attracting individuals who are actively seeking employment may not be useful for notifying federal retirees of census employment

opportunities. Those retirees who are not in the labor market, will not be reached through classified advertising and contacts with state employment centers.

At the headquarters level, the Bureau has made outreach efforts to a number of national organizations, including those that represent senior citizens. However, the Bureau needs to continue to ensure that its district offices pursue recruitment strategies that attract individuals, such as many retirees, who are not actively seeking employment. For example, the Bureau needs to promote a coordinated strategy of follow-up with local chapters of national retiree organizations contacted by Bureau headquarters.

The Bureau also will need to design and implement a system to monitor the number of exempted retirees it hires. Such information is critical for the Bureau and Congress to determine the success of the exemption and for determining whether the exemption is justified for subsequent decennial censuses.

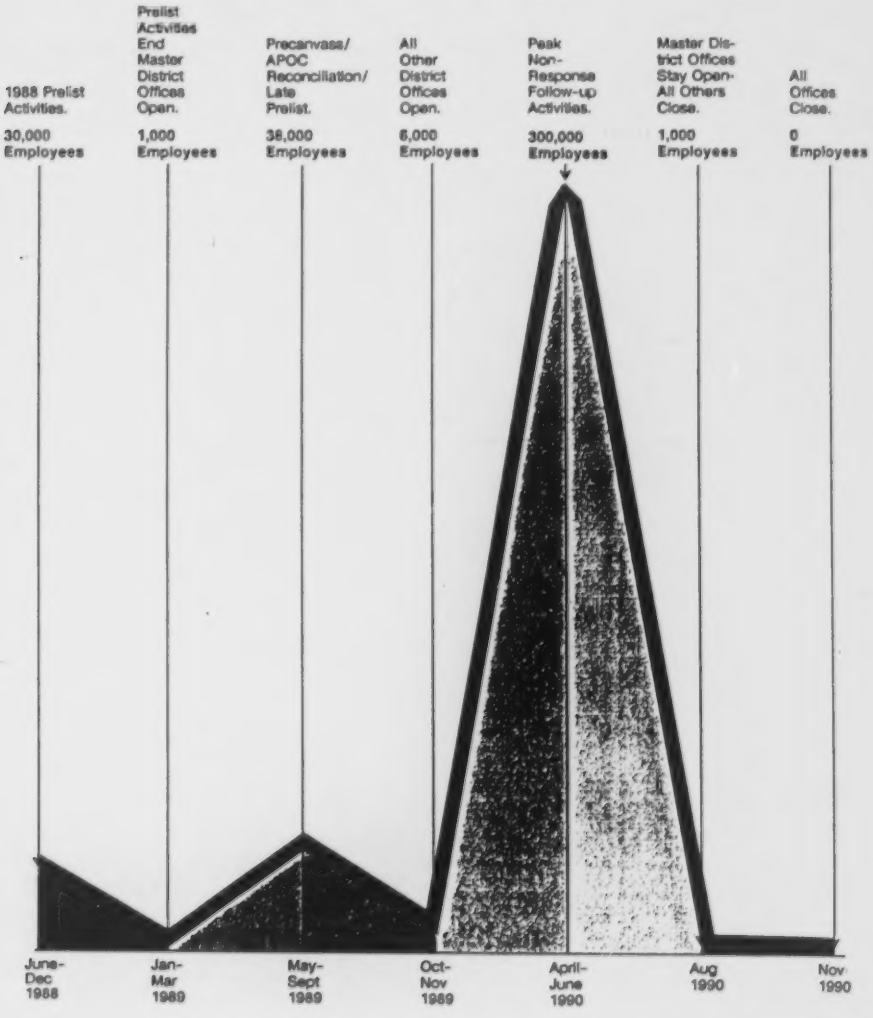
As I noted earlier, the Bureau did not evaluate the results of the exemption for the 1980 census. As a result, it does not know how many, or in what positions, retired officers contributed to decennial activities in 1980. Data on the number of retired military officers that worked on the census could have assisted

the Bureau in developing and supporting a legislative initiative earlier in the 1990 census cycle.

In closing, when we testified before this Subcommittee in March, we discussed two major staffing challenges confronting the Bureau for 1990--ensuring that its pay rates are competitive and expanding the pool of applicants. By eliminating a financial disincentive to accepting census employment, H.R. 1860 may help expand the pool of applicants. We believe that federal retirees could be an important recruitment source for the Bureau, and H.R. 1860 could contribute to an improved 1990 census. However, the Bureau must continue to make progress on implementing competitive pay rates to ensure it is able to attract needed staff in 1990.

This concludes my remarks, Mr. Chairman; I would be pleased to answer any questions.

Census Staffing Levels



Mr. SAWYER. I just have a couple of very brief questions. In the three cases that you cited in your testimony, can you give us a sense of how well those recruitment efforts penetrated the particular pool of retirees available at the time?

Mr. DODARO. Yes. In the case of the Immigration and Naturalization Service, it was allowed to hire up to 300 Federal retirees, and it actually brought on board 200 Federal retirees. In the case of the air traffic controllers, FAA hired about 100 Federal retirees, and according to its personnel office, the agency was very satisfied given the circumstances of the strike and some of the solidarity with the union at that point in time. Of course, for the third instance, the exemption in the 1980 census, as we talked about this morning already, there was really not any information on the Bureau's experience.

But generally, where the exemptions have been granted and data have been provided, it seems to have worked as intended and drew the retirees into active duty.

Mr. SAWYER. What kind of recruitment lessons have we learned from that experience?

Mr. DODARO. That is something we really haven't looked at, Mr. Chairman. We didn't go back and take a look at that. I would say in the case of the Bureau, generally its recruiting activities so far are targeted toward people who are actively seeking jobs. They are in between jobs, and looking for work. In the case of the retirees, this is not necessarily going to be the case.

So I think the suggestion that was made this morning is something that we share and have urged in our written statement. That is that the Bureau works with associations where their members are Federal retirees to get the word out.

I think special mailings based upon OPM runs also would be effective. I don't think it would probably work as well to try to tack it on to their paychecks, because a lot of the retirees receive their money through direct deposit. But there is no reason that the Bureau could not get a mailing list and make a special mailing.

I think the retiree community has very effective organizations that are designed to get the word out, and cooperatively working through those organizations is probably one of the better vehicles that the Bureau could use.

Mr. SAWYER. You have been monitoring, both before and after the last time you spoke before the committee, the efforts to improve retention rates. Can you comment first on that generalized effort and then on your sense of retention among the target population of this legislation.

Mr. DODARO. In the general sense, I think the areas that Mr. Jones mentioned this morning of improved training and the fact that enumerators are going to try to have daily contact with the supervisors is good. We think that these changes will be important. In fact, after the 1980 census we had recommended that the Bureau increase the length of time for training activities. So we are satisfied with that, and we think that is a step in the right direction.

The incentive pay area that Mr. Jones brought up is something that, while intuitively we think is good, we haven't really seen

where the Bureau has proven that it has been much of a factor in helping to retain people. In some areas, it appears that it would be.

There are some other actions, though, that the Bureau could take to help in the retention area. One of which we have reiterated several times, which is to move to the geographic wage rate structure. That will be a powerful tool to keep people on board if they feel they are being compensated commensurate with the difficulties and the rigors of census employment.

Another aspect has to do with improving the administration of the Bureau pay system. Although we weren't able to quantify this in a number of regions, a lot of the regional recruiters mentioned to us that the paychecks were late. Of course, what happens here is, the enumerators and other employees receive weekly paychecks not only for their salary but also reimbursement of travel costs. So if they get their checks late, they are unable to put gas in the car for the next week, and so it causes a lot of problems.

In the one area where we were able to have someone give us sort of an estimate of how many people leave, it was estimated that up to approximately 10 percent of the people left because of problems in administering the pay system.

This, of course, has two dimensions to it. The first dimension is fixing the pay system right now. The second is preparing for a geographic wage rate structure. That will make administering the pay system a little bit more difficult. Now, the Bureau has a uniform system across the country.

So as part of congressional oversight and scrutiny of that geographic pay structure, we ought to look at the administration of the pay system as well.

Of course, I also think that passage of this bill, H.R. 1860, will help improve retention as well.

Mr. SAWYER. One final question. You have heard me ask about the appropriateness of that benchmark 180-day exemption. Could you comment on the appropriateness of having selected that as the duration, extending or reducing, and whether or not that ought to be done in the legislation or by allowance for administrative procedure.

Mr. DODARO. I think any action in that area would be best done in the legislation. The six-months figure is an excellent starting point. I would think that the committee could entertain additional extensions of that period consistent with the Bureau's work requirements and demands of the job.

The only caution I would raise is that I think the longer the extension period, the more the retirees will be competing for some of the key management jobs. We haven't seen a real need and problem in retaining people in that area.

As Mr. Jones mentioned, the peak period is really that three-month period between April and June when the Bureau will need the greatest amount of people. Certainly a period a little bit longer than the 180 days is not going to hurt anything and I think will provide stability.

I only raise this other issue as just something to think about in formulating a final decision. We haven't looked at it in any sort of detail, but it might be something that you need to consider.

One thing I would personally be a little concerned about is, if the exemption is for too long a period of time, it could somewhat backfire especially if it looks like retirees are taking jobs away from other people in the communities.

That is the only caution I would have. Other than that, since we are supporting the legislation, we think that the period of time that should be available is as long as the Bureau really needs to get the job done without jeopardizing any other concerns that might arise.

Mr. SAWYER. Mr. Ridge.

Mr. RIDGE. Thank you.

First of all, Mr. Chairman, I neglected the last time to ask unanimous consent to insert an opening statement shortly after yours.

Mr. SAWYER. Without objection.

Mr. RIDGE. Gene, I just want to publicly thank and congratulate you and Jack and Chris and the GAO for all the help you have given to me particularly in getting up to speed on the census and for your thoughtful suggestions to make it a complete and comprehensive effort. I truly do appreciate it.

With that in mind, knowing the time frame in which the census will operate, would you care to comment on the timeliness of this legislation? I am pleased that Mr. Sawyer has conducted hearings and we are moving forward, but if we pass it next year it doesn't really do the Census Bureau much good. If we put it on a fast track, what is the deadline you think where, if employed, it would be an effective recruiting tool and the time after which it doesn't have any utility at all?

Mr. DODARO. Basically the old adage applies here, the quicker the better, and you are exactly right on that. I think you need to have the legislation passed by the end of this summer in order to prepare the recruiting materials, to organize an effort, and to really get on board with it. As Mr. Jones outlined, the Bureau is going to start needing people in October, and in order to get people at that juncture, I think the Bureau is going to have to start advertising in early fall to get the word out.

It could be a little bit later than that and not affect that peak period time, but I think there are going to be so many other operational problems the Bureau is going to have once they get into the peak period. It is somewhat organized confusion anyway. To try to go and undertake a special recruiting effort——

Mr. RIDGE. We are used to that. [Laughter.]

Mr. DODARO. Well, the Bureau does an excellent job at it themselves, but I think we are just detracting from the utility of the legislation the longer it takes to pass it.

Mr. RIDGE. All right.

Tell me, if you know, when the Federal retirees receive the direct deposit of their annuity, do they get any notification that it has been deposited—any kind of statement identifying that it has been deposited?

Mr. DODARO. They will usually get a pay stub.

Mr. RIDGE. You are speaking in terms of just an insert, one more insert. I agree, we will have to do more than that, but I wasn't sure whether or not they received a formal communication noting the deposit or whether they had to check their balance.

Mr. DODARO. I believe that they do.

Mr. RIDGE. Mr. Chairman, I have no further questions. Again, I would just publicly acknowledge all the good work these men and their organization have done for us. Thank you.

Mr. DODARO. Thank you, Mr. Congressman. We appreciate that.

Mr. SAWYER. Mr. Garcia.

Mr. GARCIA. Thank you for holding this hearing on H.R. 1860, a bill to improve the Census Bureau's ability to attract a qualified workforce for the 1990 Census. I congratulate you and Mr. Ridge on your attention to this important matter.

Conducting an accurate census is of utmost importance to the people of the South Bronx. Not only will the outcome of the census determine reapportionment and State and local political boundaries, but millions of dollars in Federal grant and award money depend on a complete and accurate count of all people living in the United States.

The 1990 Census must be the most accurate count ever conducted. We must do everything possible to improve the undercount of minorities, for it is they that will be most effected by the distribution of Federal monies. We must also develop a fair adjustment to the census count. Even with our best improvement techniques, they will not doubt be people who are not counted.

In order to achieve the best possible census, we must have the best possible people working on it. HR 1860 will greatly expand the pool of eligible workers. Retired Federal employees make excellent candidates for the 635,000 temporary positions which will need to be filled. Retired Postal workers are familiar with the local neighborhoods and are often recognized and trusted by residents. Military personnel and other retired Federal employees have proven their dedication to their country and are familiar with Government procedures, forms, and regulations. This bill will encourage these people to take part in the collection and compilation of census data. For their hard work and dedication, they should be justly rewarded without having their salaries or annuities reduced.

Mr. Chairman, H.R. 1860 is a bill which will greatly expand our ability to attract qualified and capable people to conduct the 1990 Census. I urge my colleagues to support it.

Gene, we have been down this road many times, haven't we?

Mr. DODARO. Yes, sir.

Mr. GARCIA. Not so much in your statement, I guess, but Mr. Jones' statement, it seems that with all the problems we had in 1960, in 1970, and 1980, that we still go through the problems of testing and training, and we really haven't gotten to a solution. Every 10 years, we seem to start from scratch and just keep going over.

I guess as I read this testimony here—and I am sorry I missed Mr. Jones addressing it himself—it just seems to me that by now we should have come up with some solution. I guess we never really will, and every 10 years we will have to start over again and hopefully not make the mistakes.

I am in favor of the bill. I think it is a good idea. I don't know what the outcome is going to be, but I think basically, especially as I think of letter carriers and people like that who know routes so well, the problem is that with most of those rural letter carriers,

we get a 95 percent return rate anyway. So you are really talking about 5 percent of the population that you have to go out and enumerate.

But in the inner cities, it is going to be a different situation altogether. You have got tenements that are walk-up, you have got these huge public housing buildings, and then you have got the reluctance of people who don't want to respond to anything that is put forth by the Government. I am hopeful that those people, retirees, will be able to do that; I hope so.

I think that, as I looked at the figures and statistics, we anticipated that in New York City the turnover would be 100 percent. That was handed to me by staff. I remember 1980 very well, we did have massive turnovers, and I remember the hard job we had trying to get people, and then we tried to lower the requirements to get people. Whatever we did, we ran into trouble.

But I am glad to hear, Gene, that you said that your recommendation is to try and figure out the pay formula in such a way that people get paid when they are supposed to get paid.

Yesterday, there was an article in the New York Times about the undercount and about agreement. Do you know what I am talking about?

Mr. DODARO. There was a decision at the District Court not to dismiss the case.

Mr. GARCIA. That is right.

Mr. DODARO. That is about the extent of my knowledge of it. We haven't really followed it in any detail since it is in litigation.

Mr. GARCIA. Well, as you know, in New York we are going to have a huge undercount. We had it in 1960, in 1970, and I anticipate we are going to have it in 1980, and that affects us, obviously, in the two ways that we both know—politically as well as through funding—and they are both very, very important, obviously.

I guess my question to you is this. Will the GAO be monitoring this? We always ask you to come in after the crime has been committed. Will the GAO be there on an ongoing basis to monitor and to make certain, as an active part of the Census Bureau? because as hard as we try to monitor—that is, the Congress—it is just a difficult, difficult task.

Mr. DODARO. We do plan to be there and monitor the key activities of the Census. We have been basically following the Census planning cycle. We monitored some of the pretests. We were out there observing the dress rehearsal activities, and we expect to continue on through the operations through 1990.

Mr. GARCIA. Are you satisfied with the progress of the Bureau of the Census through the 1990 census as of this moment?

Mr. DODARO. I think—and this relates to your earlier comment about, how do we break out of this cycle? Earlier this month, we testified before the Senate on this very issue in terms of the status of 1990. I think the only way to break out of this cycle is to, immediately following the 1990 census, have a very fundamental rethinking of how to go about taking a census. In part, it relates to a national data collection strategy.

A lot of the strategies that have been put in place over time have been ad hoc. Data requirements have been added to the decennial census, but the census has not had a really fundamental rethink-

ing. What happens is, the Bureau does not start planning for the next census until it is midway through the decade. By then, it is too late to make any substantive changes.

We are in a situation now where there are spiraling costs, and continual problems getting the labor force needed to take the census. The only way the Bureau is going to be able to reduce that is to reduce the reliance on temporary workers. Otherwise, the cost of the 2000 census is going to make the 1990 pale in comparison as did the costs of 1970, which was about $220 million, and now the estimate for 1990 is $2.6 billion.

Now I have been encouraged that the Bureau, based on one of our recommendations, established a twenty-first century planning staff to begin thinking about this.

Another point we made is that the Bureau needs to make sure that the experimental program—a research component built into the 1990 census to explore options for 2000—gets thought through and adequately funded and doesn't get short shrift.

So I think there is a very important role for this committee to play and the Congress as a whole as well, and this is something we have also urged the Secretary of Commerce to do, to really try to just rethink the entire approach.

There have been some ideas put forth about greater use of the Postal Service to help, and more cooperation with the State and local governments. We are just stuck in a traditional mode here, and we are really not going to make any progress unless we get started earlier. I share your concerns.

So I am encouraged. I don't want to detract from the changes the Bureau has made within the current parameters of how the Census is operating. We are very encouraged by their efforts to automate some aspects of the process. I think the strides they have made in the maps have been a big improvement. I don't want to detract from that. We are satisfied that the Bureau is making incremental progress, but I don't think it is going to make any monumental improvements unless it thinks in more radical and innovative terms on how to go about taking a census.

Mr. GARCIA. It is interesting that the three of us who sit here as Members all come out of that part of the country which is losing population, whether it be Pennsylvania, whether it be Ohio, or whether it be New York. You take the city of Philadelphia with their undercount, you take the city of Cleveland with their undercount, and you take the city of New York with our undercount, and it seems to me that what I would hope would come out of all of this is that we had somewhat of an agreement, and I think the Bureau of the Census—I have always been very proud of them, and I have always been very happy with the chairman of this committee, because I think the Bureau of the Census is really a first-rate operation. If people stay out of their way, if the politicians stay out of their way, I think for the most part they do an excellent job, and they are probably the best demographers and statisticians we have in the world.

But the thing that I am concerned about is this. I would hope that some way the GAO would start to look at this undercount business, especially in urban settings, whether you want to take, in Mr. Ridge's case, Pittsburgh and Philadelphia, or you want to take,

in Mr. Sawyer's, in Ohio, Cleveland and Cincinnati, and in my case Buffalo and New York City. I would hope that somehow, some way, you would be able to monitor that when the time comes.The chairman has been very kind and consented to hold the hearing in New York to deal specifically with that question. I know that we are going to have a huge undercount in New York just because of the doubling and tripling of families in public housing.

Mr. DODARO. One of the things, Mr. Garcia, which we have been focusing on is the post-enumeration survey, which is the key part that will enable the Bureau to make the adjustment. We have a project right now where we are looking to see how well it did with that aspect of the dress rehearsal, and we will be looking at their plans for 1990 and the execution of the PES during the 1990 census.

As you recall, back in the 1980 census, the Bureau had to drop the post-enumeration survey it had planned. So it really has not had a lot of experience with a complete PES yet. We are monitoring that very closely.

Mr. GARCIA. And you have got to give the localities sufficient time. You just have to give us sufficient time to be able to do a good post-enumeration. If you give us a week, or two weeks, or a month, constitutionally we have to provide that information to the President on January 1, I believe, if I remember correctly.

Mr. DODARO. Somebody told me just before coming over to the hearing that that is not constitutional. Apparently, it is in statute. But it is still fixed.

Mr. GARCIA. The State of Illinois has a primary, I think, in February or something like that; they have one of the earlier primaries—whenever it is; I am not sure. The point is that we have to have enough time, too. If that data could be coming at the same time that the Bureau of the Census is collecting the data, somehow the city could be involved, or the cities, so they can start to have their own.

In the city of Baltimore, Mayor Schaefer, when he was the mayor of Baltimore, in 1979 had kids running around in the Summer Corps. I will never forget this, Mr. Chairman. It was terrific. Mayor Schaefer had kids running around with T-shirts. They were on some sort of a work project federally funded, and they were running around checking vacant buildings, seeing who lived in them, what families, and that city was prepared for the 1980 census, because they had it all spelled out. They knew who was living in what buildings and who was doing what to whom. I mean that is the type of effort. But it is true. It was fantastic of Mayor Schaefer that he was able to think that far ahead for his city.

I don't want to take any more time except to say, Gene, it is always good to see you.

Mr. DODARO. Thank you, Congressman.

Mr. SAWYER. Let me just follow up on a couple of things that Mr. Garcia raised.

Are there elements of the execution of 1990 that are not being monitored now that we ought to act on to make sure are being monitored as we enter that actual execution period? We talked briefly about the tracking of previous retirees and others as part of

the enumerator force. Are there similar elements that we ought to be tracking today?

Mr. DODARO. Let me just consult with my colleagues.

Jack brought up a good point, and I think Congressman Ridge raised this earlier. The tracking of the exemption for Social Security and AFDC ought to be something else that the committee pays attention to.

Mr. SAWYER. You mentioned the question of "the quicker the better" with regard to enactment. Does the same question apply to any potential request for supplementary appropriations?

Mr. DODARO. Definitely. And I think that that goes in tandem with the decision on the geographic wage rate structure. That decision has to be made fairly soon. It has a critical bearing on the recruitment efforts and the publication of materials which need to get out as soon as possible.

The same thing with the funding. We have made the observation earlier that in 1980 the Bureau ran out of money at the end and had to have the supplemental appropriation, and, as Congressman Garcia well knows, it had to cut back in a number of areas. The earlier the Bureau comes up with a complete cost estimate and is able to set priorities within those costs, the better off we will all be in the long run.

Mr. SAWYER. Let me ask you one further question, and that is the business of expanding the 180 days, something that we will take a look at. That also has to do with the period of execution. If, for example, a recruit were to come on board relatively late in that execution period, is there a need to have those folks extend beyond, say, September of 1990?

Mr. DODARO. I will have to think about that.

Mr. SAWYER. Okay. A recruit that came on in March might exhaust their exemption by the end of the summer and have absolute need with very limited ability to recruit further following that time, and yet the work might well be there for precisely that kind of trained employee. It may be the time of execution rather than the actual duration that is the sensitive question.

Mr. SAWYER. We have a panel next: Judy Park, legislative director, National Association of Retired Federal Employees, and Commander John Wanamaker, deputy director, legislative affairs, Retired Officers Association.

Ms. Park.

STATEMENT OF JUDITH PARK, LEGISLATIVE DIRECTOR, NATIONAL ASSOCIATION OF RETIRED FEDERAL EMPLOYEES

Ms. PARK. Thank you, Mr. Chairman.

For the record, I am Judy Park, legislative director of the National Association of Retired Federal Employees. NARFE welcomes this opportunity to work with the subcommittee in seeking to improve the ability of the Census Bureau to conduct an accurate and cost-effective census in 1990. Let me assure you of the association's interest in and support of H.R. 1860 to exempt Federal and military annuitants from certain offsets of pay if employed by the Census Bureau during the 1990 decennial census.

We feel uniquely able to assist in both publicizing and encouraging this endeavor of employing retirees because of the structure of the association, which contains over 1,700 local chapters in every State and territory of the United States. Our members have devoted a lifetime of service to their country. They have worked in every Federal agency, including the U.S. Postal Service—and that is city carriers and rural carriers alike—and have acquired a significant amount of knowledge and experience regarding the operational aspects of Government, its rules and regulations.

These retirees would be especially helpful in census taking as they are already familiar with Government forms and operations, and many of them during their careers worked directly with the public as interviewers or information givers.

The retired Federal employee is used to working within the bureaucracy and has already been well trained in many of the attributes the Census Bureau would be looking for in employees. In addition, annuitants will be familiar geographically with their areas in which they live, and most of them would have access to an automobile. And, Federal annuitants are fairly evenly dispersed among the population. For example, in California there are approximately 214,000 annuitants and in New York over 104,000. In New York, many of those live in or near the city and would be particularly valuable to the Bureau because of their knowledge of and prior work experience in the city.

It is recognized that in order to attract this well qualified existing group into temporary Federal employment the law would have to be changed as it now exists for reemployed Federal annuitants. It hardly seems fair that in the private sector under Social Security retirees can be reemployed by their former employers on a part-time basis and not suffer any income penalty beyond that imposed by the Social Security retirement test, which many in Congress now would like to see eliminated. The Federal annuitant, on the other hand, is penalized dollar for dollar if he or she is reemployed by the Federal Government.

The legislation you have introduced does offer relief on a temporary basis to Federal annuitants who want to serve in a productive capacity. It would allow them to work as temporaries for the Census Bureau for up to 180 days in 1990 and not lose any of their Federal pensions. We fully endorse this concept which would give retirees, who certainly are well qualified, the opportunity to supplement their pensions at the same time performing a public service and ensuring that the 1990 census be conducted accurately.

Thank you, Mr. Chairman. I am happy to entertain any questions.

Mr. SAWYER. Thank you.

Commander Wanamaker.

STATEMENT OF COMMANDER JOHN F. WANAMAKER, DEPUTY DIRECTOR, LEGISLATIVE AFFAIRS, RETIRED OFFICERS ASSOCIATION

Commander WANAMAKER. Thank you, Mr. Chairman, members of the committee.

I am Commander John Wanamaker, U.S. Navy, retired, and I am the deputy director of legislative affairs for the Retired Officers Association. Our national headquarters are located at 201 North Washington Street in Alexandria, Virginia. Our association has a membership of more than 361,000 active duty, retired, and reserve officers of the seven uniformed services. Included in our membership are approximately 50,000 auxiliary members who are survivors of former members.

We wish to commend the members of the committee for holding these hearings on H.R. 1860. This bill would authorize a Federal annuitant or former member of the uniformed service, under a temporary appointment, to assist in carrying out the 1990 decennial census. These temporary employees would be exempted from the dual compensation provisions of section 5532, Title V, U.S. Code, relating to the offset from pay. Our association strongly supports the provisions of section 3 of H.R. 1860 as it pertains to former members of the uniformed services.

We wish to take this opportunity to provide the committee our members' views on the dual compensation laws as they apply to military retirees and then provide recommendations for amendments. The very fact that we are here now considering the merits of H.R. 1860 vividly points out that there exist certain laws that interfere with the Government's ability to hire certain employees.

You are now considering making amendments to the dual compensation laws in order to facilitate the task of conducting the 1990 decennial census. I think the Members would agree that it is in the best interest of the Federal Government to obtain the best qualified personnel possible from whatever sources are available, and current dual compensation laws restrict the Government's ability to hire retired regular officers who possess many of the skills needed to conduct the 1990 census.

The Department of Defense has reported that at the end of fiscal year 1988 there were approximately 336,000 retired regular officers, of which less than 3,000 are currently employed by the Federal Government. This means that favorable consideration and enactment of H.R. 1860 would make available a large potential pool of well educated people, college graduates in the majority of cases, who have demonstrated years of dedicated service to their nation and would make ideal candidates to assist in many Government functions, including the Nation's 1990 census.

Previous exemptions to the Dual Compensation Act have provided critical skills needed by the Government to fill vacancies in the National Aeronautics and Space Administration—NASA—the medical officers for the Veterans' Administration, and, more recently, air traffic controllers for the Federal Aviation Administration.

Under current provisions of section 5532(d)(2), title 5 U.S.C., only the first 30-day period of temporary employment, full-time or part-time, is exempted from the dual compensation restrictions. Unless these restrictions are repealed or relaxed, hiring retired regular officers to assist in the taking of the census would be counterproductive because of the high turnover rate required by the 30-day limitation.

When the Dual Compensation Act, Public Law 88-448, was originally enacted in 1964, the law allowed a regular officer to retain

the first $2,000 in retired pay and one-half the balance each year when employed in the Federal civil service. That $2,000 amount has been increased periodically to reflect the changes in the Consumer Price Index, and it now is $7,698.41.

The Retired Officers Association provides its members employment assistance through the Officer Placement Service, or TOPS, and should the current law be relaxed through passage of H.R. 1860, we could assist the Census Bureau to find suitable employees through publishing of notices in our monthly magazine, The Retired Officer, and also by passing the word through lectures provides by the association to retired members throughout the country.

Mr. Chairman, the bill H.R. 1860 would provide temporary relief from the discriminatory provisions of section 5532 and enable the Government to employ regular retired officers to conduct the census. As I have indicated, the very fact that it is necessary to enact this legislation vividly points out how the current law works to the disadvantage of the Government's best interest.

Census takers are not the only area where ability to hire the best qualified employees is denied the Government. As an example, many retired military nurses would love to accept positions in the Federal hospitals and clinics if the dual compensation laws were lifted. In recent hearings in the House Armed Services Committee, the Department of Defense and service health care officials stressed the critical shortage of nurses in military treatment facilities. In many instances, these jobs are going unfilled. Many others are similarly denied the opportunity to provide further service to their country as a result of these discriminatory restrictions which apply only to retired regular officers. It is ironic that these officers' skills, which in many cases were developed and paid for through Government expense and training, are now denied to the Government through restrictions to re-employment.

Our association would strongly urge the committee to go beyond this limited relaxation of the law to provide employees for the Bureau of the Census and to completely repeal subsections (b), (d), and (e) of section 5532 of title V. This action would retain the limitation on the maximum pay provision that is in effect for all military retirees—regular, reserve, and enlisted.

This concludes my statement, and I will be happy to answer any questions that the Members may have.

Mr. SAWYER. We thank you both.

Just by way of comment, as you may know, the jurisdiction of this subcommittee and we will focus our interest on the immediate needs of this particular legislation, so we have limited the scope of it. However, as you also may know, one of the other members of the subcommittee, Mrs. Schroeder, has a subcommittee with jurisdiction in this arena in the Armed Services Committee, and she may have a substantial interest in your recommendations.

Let me visit an issue that we really haven't talked about much this morning. We have thrown around some numbers, some fairly large numbers, in the neighborhood of 2 million people who would be made a part of that eligible pool as a result of the enactment of this legislation. Clearly, not everyone is suited to the physical demands of this kind of task.

Do you have any sense of, first, how many of your members might be able and interested as a result of this legislation? Then, second, do you have the means available to your organizations to help track and pinpoint and thereby recruit those, conceivably by age or other measures, who would be best positioned to take advantage of this opportunity?

Ms. PARK. I think we certainly do through the monthly magazine and periodicals of the association and through the State set-ups, State federations, in there.

I don't have any idea of just exactly what the numbers would be. I would assume it to be more of the younger retirees. You are going to find most of them under 65, because over 65 they don't want that extra money adding to their surtax on the catastrophic bill now. They are now starting to quit jobs because of that, so they are not going to take one that adds money for that purpose.

But it would be the younger ones, I would think, at any rate, that would be more interested in returning. So probably that 55 to 65 age category.

Mr. SAWYER. And do you have the capacity to track those people by virtue of the information you have available to your organization?

Ms. PARK. Not just by age, no, but we could scale it down a great deal, and we could eliminate the survivor annuitants, right into the retirees.

Mr. SAWYER. Commander.

Commander WANAMAKER. First to discuss the numbers a little bit, I have seen the number cited 400,000 retired officers mentioned here this morning. However, that is including the reserve officers. That group really is not going to be helpful in this census issue, in that they are only limited by the top peak cap.

Just to give you a feel for our own membership, I think 65 is the mean age group of our membership. We do have 250-some-odd chapters that are located in every State of the Union, some more than others, and we have communications—well, we even have electronic bulletin boards that all these chapters can plug into any notice that we publicize. We also send a troagram to each chapter every month. We also have a monthly magazine the Retired Officer that goes to all our members, whether they are chapter members or not. So the word is passed among that community fairly easily.

One of the reasons for coming here and assisting you in this effort is, we would like to demonstrate to you how useful military retirees can be, and we would take a definite interest in demonstrating that we can help you.

Mr. SAWYER. To follow up on that kind of question, one that I asked of Mr. Dodaro, is there information that you think would be effective and useful in helping to make that case? Is there information that we ought to track in the execution of this census that would be useful in making that case later on?

Ms. PARK. I think just certainly to know how many did participate and particularly what pool of former employment you were particularly drawing from were found to be most useful.

Mr. SAWYER. The occupational source.

Ms. PARK. The occupational sources of it, for our group.

Commander WANAMAKER. I don't think it is really within our ability to track the numbers. We could get the word out to them. If the Census Bureau hired them, we would have no way of knowing exactly.

Mr. SAWYER. But the Census Bureau could track their own employment patterns and provide information that would be available to others for future recruitment purposes.

Commander WANAMAKER. That is right.

Mr. SAWYER. Mr. Ridge.

Mr. RIDGE. Thank you, Mr. Chairman.

Ms. Park, you mentioned that you have dues-paying members of over 500,000 retired persons but you clearly represent almost 2,000,000. Do your publications go out only to the dues-paying members?

Ms. PARK. Yes, they do.

Mr. RIDGE. You mentioned in your testimony as well that you have 1,700 chapters.

Ms. PARK. Yes.

Mr. RIDGE. Which is quite a network.

Ms. PARK. Yes, and they are then organized into State federations. All 50 States, of course, have a federation. But those 1,700 chapters get weekly bulletins and so forth from the association, too. So you are not just reliant on the monthly magazine, and you find in the chapters those chapter officers are the real movers and shakers who are getting the word out at any rate.

Mr. RIDGE. Would you be willing to conclude that not only the passage of the information concerning the passage of H.R. 1860 but also the encouragement for your membership to take advantage of it not only for themselves but the Government is a priority for both the publications go out to your members and to your chapters?

Ms. PARK. Absolutely. We have had people inquiring already about the census to the office, not in great numbers, but we have had calls coming in: Did the offset affect them? and so you say yes, and there you lose the interest. But also, "How would we go about seeing about this?"

Mr. RIDGE. My mother-in-law is thinking about it. She doesn't live with me, I'm not trying to get her out of the house, but she is a very vital person, worked with people for years. That was her business. She has got all those wonderful people skills, likes interviewing, she is in robust health, and it seems to be a natural. I think she would possibly be very much interested.

So I thank you not only for your offer of support but the fact that you would make available your significant network not only to publicize but to recruit; that is what we really need.

Commander Wanamaker, before I ask you a couple of questions I just want to publicly acknowledge your personal service record of 32 years to the United States of America. Any time I meet a man whose commitment to the uniform and, more importantly, to his country began in World War II and ended up with 200 combat missions in Vietnam, I consider it a privilege to be in his company. So we welcome you, and congratulate you, and thank you. I spent only 2 years in it, and when I see somebody who has spent 32, I am a great admirer of those of you who feel that strongly about our country, and so I thank you.

You mentioned in your testimony that NASA was able to effectively recruit some members from your organization as a result of an adjustment to the dual compensation system. Would you comment on that?

Commander WANAMAKER. I won't say that they necessarily were able to recruit. I am saying that when the dual compensation laws were enacted, they made special exemptions for the NASA area. At that point in time, probably the principal people who had experience in missile technology were in the military, and it was just a natural to have those exemptions for NASA in order for them to fill those jobs.

Mr. RIDGE. And I would just ask you the same question, and I think I know what the answer is, but, for the record, I appreciate your attendance and your support of H.R. 1860, and I infer from your comments that the network you have to reach out to your members, not only to advertise the possible employment and service but also to recruit, would be available for the census.

Commander WANAMAKER. We would encourage it, and just to elaborate a little bit on that, we do have an officer placement service for officers who are looking for jobs. I went to the staff director of that branch and asked him how could we help, and he said, "We'd be glad to." He said, "I could put you people to work right today." That is just to give you an idea that we would be glad to assist the Census Bureau.

Mr. RIDGE. Your testimony certainly is consistent with the spirit of cooperation and the record of service that Chairman Sawyer and I felt dictated a change in the dual compensation system. Your membership have supported their Government and provided services to this country for a long time, and we see no reason why they should be penalized if we ask them to do it again, and I personally thank you for your testimony.

Mr. SAWYER. Thank you both very much. It has been very useful, and we will accept any further answers that you may have in writing.

If there is no further business to come before the subcommittee, we will stand adjourned.

[Whereupon, at 12:25 p.m., the subcommittee was adjourned.]

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